Health Quality Council
Annual Report
2015-2016

SASKATCHEWAN
HEALTH
QUALITY
COUNCIL

The Health Quality Council (HQC) works closely with Saskatchewan's health regions, the Saskatchewan Cancer Agency, the Ministry of Health, patients, families, and health providers to make health care better and safer for patients in this province.

Created in 2002 by an act of legislation, *The Health Quality Council Act*, HQC is governed by a board of directors comprising provincial, national, and international leaders in quality improvement science, health policy, and health care delivery.

Our vision

The highest quality of health care for everyone, every time.

Our mission

To accelerate improvement in the quality of health care throughout Saskatchewan.

Our definition of quality

Quality health care is care that is safe, effective, responsive, patient-centred, equitable, and efficient.

Our work was guided by these values:

Responsiveness

In a dynamic and ever-changing environment, we respond to system needs and identify emerging opportunities to support our partners in making care better and safer.

Innovation

To achieve our mission, we must challenge the status quo, question from a base of evidence and work with those ready to fundamentally redesign the system.

Collaboration

Partnerships among those committed to transformative change are critical. We believe open communication and collaboration nurtures relationships and produces results. We encourage full participation, different perspectives, constructive dialogue, and people building the skills to help themselves.

Focus on improvement

The pursuit of excellence is relentless. Continuous improvement is at the core of the work we do and the way we work; this includes managing in and learning from uncertainty.

Knowledge for action

Evidence informs and measurement drives all of our activities. We are driven to gather, synthesize, and exchange knowledge, to continually learn and to put what we learn into practice in a way that engages our key partners.

Transparency

Transparency in processes and outcomes builds trust and respect, and is the foundation for learning and improvement.

Integrity

Our morals and character guide us to act ethically at all times in service of the public good.

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Letter of transmittal

The Honourable Dustin Duncan
Minister of Health
Room 204, Legislative Building
REGINA SK S4S 0B3

Dear Mr. Duncan:

I am pleased to submit the Health Quality Council's annual report. This report is for the 2015-2016 fiscal year and is submitted in accordance with the requirements of *The Health Quality Council Act* and *The Executive Government and Administration Act*.

Dr. Susan Shaw
Board Chair
Health Quality Council

Message from the Board Chair

2015 was a year of continuing evolution for both the Health Quality Council and our provincial health care system. We are proud of the progress we've made to date on our shared improvement journey, in building knowledge, skills, capacity, and relationships with our system partners. This was also a year of defining and determining new ways for HQC to fulfill our mission to accelerate improvement in the quality of health care throughout our province.

This acceleration in quality improvement encompasses multiple aspects of health care – from the clinical and operational sides, to our fruitful research partnerships with universities and other learning institutions. Above all, HQC's focus remains on making health care better and safer for patients and their families. The patient is the key part of our health system and, in many ways, what matters most to the patient is what should matter most to our system.

For this reason, we are proud of HQC's leadership in patient- and family-centred care and our role in developing competencies and increasing awareness in this important area. One example is our participation in the 'Better Together: Partnering with Families' campaign. Across Canada this campaign encourages hospitals to adopt policies that give family members (as defined by the patient) open access to the patient while in hospital, rather than restricting family visits to specific hours. The end result is a shift in institutional policies so that family members are treated as *partners* in patients' care rather than simply visitors. HQC coordinated adoption of 'Better Together' by all provincial health regions; I'm thrilled that Saskatchewan is the first Canadian province to take a provincial approach to an open family presence policy.

The newly created Saskatchewan Centre for Patient-Oriented Research (SCPOR) is another way HQC will continue to generate new knowledge, while helping the system become better at listening and responding to what matters most to the patient. We also remain committed to closing the health disparity gap between individual patients. SCPOR is supported by the Canadian Institutes of Health Research (CIHR) and has a mandate to build provincial and national capacity for patient-oriented research. It has a dual purpose: building resources and expertise for selected provincial system priorities, and connecting Saskatchewan to seminal research taking place across Canada.

We are excited to be sharing leadership of SCPOR's Host Council with the College of Medicine at the University of Saskatchewan. As the Centre's activity continues to ramp up, we anticipate our role as both an integrator and collaborator within SCPOR will continue to expand. Research findings produced through SCPOR promise to yield concrete, evidence-based improvements for the patient.

During the past year, HQC also began supporting work to improve appropriateness of care, both provincial initiatives and local, regional efforts. Appropriate care is when the right care, from the

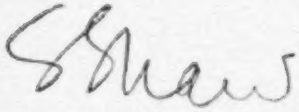
right provider, in the right place, at the right time, all culminate to create optimal care for each individual patient. There are many complex factors that contribute to appropriate care. HQC's Appropriateness of Care team, in collaboration with the Ministry of Health, has developed an appropriateness framework to assist physicians in determining when to order MRIs for low back pain, established standards of care for vascular surgery patients, and implemented an acute stroke care pathway. We are excited about what lies ahead for Appropriateness of Care in Saskatchewan as we, in partnership with others, apply what we have learned so far to create continuous improvements in clinical care.

High-quality patient care is care that is timely and safe. HQC is fortunate to continue to host the province's Emergency Department Waits and Patient Flow Initiative, and our Safety Alert/Stop the Line Initiative. Both of these teams work diligently to address specific provincial health system priorities. I encourage you to read more about their activities in this report.

As we take stock of where HQC has been over the last 13 years and determine what's next, it's interesting to reflect on how our role in quality improvement has changed. Not that long ago, HQC was our province's main source of quality improvement skills and activities in our health system. With the groundwork and solid foundation laid through the adoption of Lean, we now have abundance in our health system – an abundance of knowledge, skills, capacity, and relationships. With the collective commitment and efforts of our Saskatchewan health system partners to continuous improvement through Lean and other quality improvement methodologies, we are now fortunate to have skills and capabilities far greater than ever before. Going forward, we will help the system focus this abundance on priority areas and continue to streamline improvement processes.

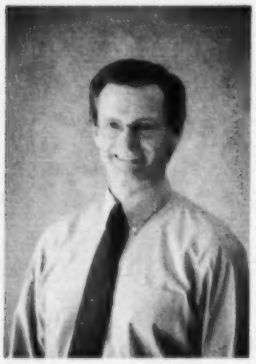
I would like to acknowledge the leadership shown by HQC staff, and by others in the system, since the start of our shared transformation journey. I remain confident that, as a province, our efforts are contributing to Better Health, Better Care, Better Value, and Better Teams.

I feel privileged to chair the Health Quality Council. We look forward to continuing to play our part in keeping Saskatchewan's health system improving care for patients and their families. In the end, what matters to the patient is what matters to us all.



Dr. Susan Shaw
Board Chair

Message from the CEO



"Coming together is a beginning; keeping together is progress; working together is success." – Henry Ford

In 2015, the Health Quality Council continued to provide opportunities and tools to help people – patients, residents, families, clinicians, improvement experts, policymakers, and administrators – stay connected and work together for Better Health, Better Care, Better Value and Better Teams.

One highlight was our work with patient and family advisors and health system staff to advance the philosophy of patient- and family-centred care (PFCC) throughout Saskatchewan. Our PFCC implementation team developed a robust governance structure, a Guiding Coalition, and action-oriented working groups. A key accomplishment of the PFCC Guiding Coalition was engaging health regions to adopt a standard provincial policy – called open family presence – which does away with restricting a family's visiting hours. This ground-breaking policy was approved in August 2015 and calls for all health regions to welcome families 24 hours a day, seven days a week, according to the patient's preference.

I'm also proud of the Lean Improvement Leaders Training (LILT) course HQC staff developed to equip health care managers to lead improvement. LILT was designed to be facilitated either through a traditional 'classroom' approach or through a more independent approach with opportunities for learners to share their insights during periodic gatherings (known as a 'flipped classroom'). Use of LILT grew during 2015 from a few pilot sites to over 600 registered participants, and this number continues to grow.

LILT modules have proved to be highly adaptable – both in how Lean methods are taught, and who the learners are. While designed with point-of-care teams in mind, LILT has also been used by regions and the Ministry of Health to engage program support teams and other health system staff to learn the practice of 'visual management' and related Lean approaches.

We continued to facilitate various networks within the provincial health system. Keeping quality improvement leaders connected and learning from each other is critical to health care transformation. The Kaizen Network connects individuals who provide training and coaching for improvement activities, so they can stay up-to-date. In 2015, regional improvement support staff shared best practices on topics such as daily visual management, engaging patients and families, 90-day improvement cycles, and engaging staff in improvement events. We also facilitated the Mistake Proofing Network to improve coaching practices among those teams working to increase patient and staff safety by eliminating process errors.

The Provincial Leadership Team, and the subject matter experts who support them, continue to set goals for health care improvement and measure progress towards these goals. We support the

work of these senior leaders by collaborating with Ministry of Health staff, to collect data system-wide, and report on the improvement activities undertaken.

During 2015-16, the Ministry of Health and HQC continued to lead the Emergency Department (ED) Waits and Patient Flow Initiative, which is our province's top improvement priority. HQC researchers developed computer simulation models of how patients move through their episode of hospital care, to identify key pressure points where interventions will have the greatest impact on reducing wait times.

One of the major barriers is keeping patients in hospital who would be better served through community-based services. We are now working with regions to gather information about these patients, which will enable the system to plan for more appropriate care in non-hospital settings. Our ED Waits and Patient Flow Initiative team – working in collaboration with eHealth Saskatchewan – has developed a data tool for clinical teams to capture the needed information. To facilitate better patient care (and discharge) planning, the team also worked to embed the practice of interdisciplinary rounding at the patient's bedside. An instructive guide on both data gathering and interdisciplinary rounds was developed and is available on HQC's website.

For the second consecutive year, HQC partnered with the Saskatchewan Medical Association to sponsor four physicians to participate in the mini-Advanced Training Program (miniATP) at Intermountain Healthcare in Salt Lake City, Utah. The miniATP teaches quality improvement methods designed specifically for clinicians. In the upcoming year, HQC will launch an education program that builds elements of Intermountain's training into a provincial learning structure for clinicians and their teams. The four Saskatchewan physicians who went to Intermountain this year, along with five from previous years, will serve as valuable mentors and faculty within the new program.

An important method for shared learning is for patients, clinicians, policymakers, administrators, and researchers to co-create new knowledge and then innovate together. During 2015-16, we led or collaborated on numerous research projects to investigate medication safety and the management of chronic diseases and mental health. We were thrilled this year to learn that the Canadian Institutes for Health Research agreed to fund our province's proposal for the Saskatchewan Centre for Patient Oriented Research (SCPOR).

Launching in 2016, SCPOR will be a partnership between universities, health system organizations, the government of Saskatchewan, indigenous stakeholders, and patient and family advisors. This partnership, of which HQC is a co-leader alongside the University of Saskatchewan's College of Medicine, will provide a major boost to research and innovation focused on improving the health and health care of Saskatchewan residents.

Over the past year, we worked tirelessly to advance our health system's shared goals. HQC's mission is to accelerate the improvement of health care throughout Saskatchewan. We believe this acceleration happens when the individuals striving to make health care better can collaborate, share and learn from each other.

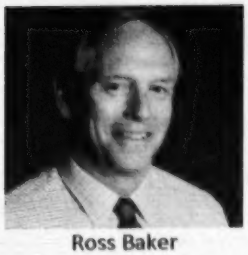
We look forward to 2016 and beyond – as we continue to serve the people and organizations of Saskatchewan's health system.

Dr. Gary Teare
Chief Executive Officer

Board of Directors

Susan Shaw (Chair)

Dennis Kendel (Vice-Chair)


Ross Baker

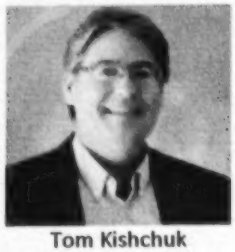
Charlyn Black

Cheryl Craig

Elizabeth Crocker

Daniel Fox

Eber Hampton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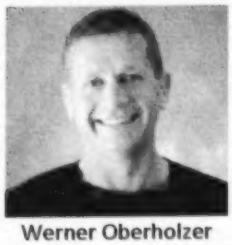
Werner Oberholzer

Yvonne Shevchuk

Beth Vachon

2015-16 Provincial health system priorities

Five-year outcomes:

- To achieve a culture of safety, by March 31, 2020, there will be no harm to patients or staff.
- By March 31, 2019, there will be a 60% reduction in Emergency Department wait times.
- By March 2019, there will be increased access to quality mental health & addiction services, and reduced wait time for outpatient and psychiatry services.
- By 2017, people living with chronic conditions will experience better health as indicated by a 30% decrease in hospital utilization related to six common chronic conditions (diabetes, CAD, COPD, congestive heart failure, depression, and asthma).
- By March 31, 2020, seniors who require community support can remain at home as long as possible, enabling them to safely progress into other care options as needs change.
- By March 2018, 80% of clinicians in three selected clinical areas within one or more service lines will be utilizing agreed upon best practices.
- By March 31, 2019, there will be a 50% decrease in wait time for appropriate referral from primary care provider to all specialists or diagnostics.
- By March 31, 2017, all infrastructures (IT, equipment and facilities) will integrate with provincial strategic priorities, be delivered with a provincial plan and adhere to provincial strategic work.
- Ongoing, as part of a multi-year budget strategy, the health system will bend the cost curve by achieving a balanced or surplus budget.

Enduring strategies:

- Better Health – Improve population health through health promotion, protection and disease prevention, and collaborating with communities and different government organizations to close the health disparity gap.
- Better Care – In partnership with patients and families, improve the individual's experience, achieve timely access and continuously improve health care safety.
- Better Value – Achieve best value for money, improve transparency and accountability, and strategically invest in facilities, equipment and information infrastructure.
- Better Teams – Build safe, supportive and quality workplaces that support patient- and family-centred care and collaborative practices, and develop a highly skilled, professional and diverse workforce that has a sufficient number and mix of service providers.

Highlights of HQC activities for 2015-2016

Across the provincial health system...

Building sustainable improvement through knowledge and education

In an effort to support the enduring strategies and achieve health system priorities, HQC has taken a key role in building sustainable improvement capability through knowledge and education.

Lean Improvement Leaders Training

The Lean Improvement Leaders Training (LILT) program is focused on helping front-line leaders – such as managers, supervisors, and other quality improvement champions – develop knowledge and skills to lead their staff in applying continuous improvement methods and approaches. LILT is an applied program; participants have the opportunity to put the concepts and theory into action in their own local work areas. Offered across the province since 2014, there are currently more than 600 participants enrolled and approximately 100 graduates of the program to date. Recently, Regina Qu'Appelle Health Region has piloted the use of LILT materials in a compressed program intended for administrative and executive support staff.

Future State Integrated Learning System

In early 2015, health system leaders asked HQC to take a lead role in the development of a made-in-Saskatchewan provincial learning program. Their vision is a transformative 'Patient First' health system with everyone engaged every day in continuous improvement.

In June, a system-wide Visioning Day took place to create a vision for the advancement of Saskatchewan's health system. This was a collaborative effort across HQC, ehealth Saskatchewan and 3sHealth, aimed at articulating targets and action plans to address current state gaps. Four key priority areas were identified: training and supporting staff, engaging patients in follow-on work, sharing success stories, and aligning the health system's strategy with its improvement plans. This Visioning Day provided critical requirements for a future state integrated learning system. HQC established a working group of content experts, patients, and families to build a plan for a provincial learning program and related competencies.

In October, in order to complete the initial draft of competencies, the working group held a design session supported by the University of Saskatchewan's Gwenna Moss Centre for Teaching Effectiveness. The group engaged in a process of catchball with target learner audiences to obtain feedback on the competencies, which were then presented to key stakeholders.

To facilitate cultural and behavioural change among those who work in the health system, competencies need to go beyond foundational training and be fully integrated into human

resources structures and processes. There are now two parallel streams of work being undertaken: 1) developing the learning pathway and program content to build new knowledge and skills, and 2) building structures and processes to align recruitment, retention, professional development, and performance management with the newly defined system competencies. As of March 31, 2016 draft learning pathways for all learner groups have been established, based on the competencies developed.

Patient Safety and Quality Improvement Training for Physicians

HQC was part of the working group that developed curriculum for the new Patient Safety and Quality Improvement Training program at Saskatoon Health Region. HQC was involved in the curriculum design, as well as developing course materials. The focus of the program is onboarding residents and new physicians to continuous improvement, with a focus on safety. The residents also have a hands-on improvement project where they apply the concepts to their own work. A pilot test of the program began in January 2016 and is currently underway.

Developing measurement and evaluation systems to provide timely feedback

HQC collaborates with health system partners, clinicians, and academics on research that provides timely feedback for the measurement and evaluation purposes, which is critical to health care transformation.

Appropriateness of Care

Saskatchewan's Appropriateness of Care initiative was established in early 2015 to lead provincial projects and support regional improvement efforts. The Ministry of Health and HQC work with physicians from across the province and an administrative lead on the initiative. In December, the group finalized and released a provincial Appropriateness of Care Framework. This framework spells out how patients, families, clinicians, and providers can work together to ensure care is delivered appropriately throughout the health system.

During 2015-16, the provincial initiative supported the following projects:

- **Appropriateness of MRI for low back pain**
  Magnetic resonance imaging (MRI) of the lumbar spine was selected as a test project for the framework, with the goal of improving the appropriateness of MRI requests relating to low back pain. HQC researchers provided measurement and implementation support for this pilot project, which took place in the Regina Qu'Appelle and Saskatoon Health Regions. The project consisted of creating and implementing a decision support tool – a checklist – to help physicians determine when it's appropriate to order a lumbar spine MRI. This checklist has been distributed to physicians and medical imaging offices throughout the province for completion

with lumbar spine MRI requisitions, including at the new Dr. F.H. Wigmore Regional Hospital in Moose Jaw.

- **Standards of care for vascular surgery patients**
  Another project that's part of the appropriateness framework is developing standards of care for the management of vascular surgery patients with peripheral arterial disease. During 2015-16, HQC continued to support a clinical development team, comprised of vascular surgeons and radiologists, to implement a standard of care developed for the surgical management of poor blood flow in the legs. Physicians collect data within their workflow, HQC analyzes the data and sends reports with quality-based indicators (previously identified by the physicians) back to the physicians for review. HQC and the Appropriateness of Care team meet regularly with the physicians to discuss these indicators, highlight any practice variation, and consider how to use the data to drive quality improvement and reduce inappropriate practice variation. HQC, the clinical development team, and eHealth Saskatchewan are working together to develop an electronic tool to make data collection and analysis easier for the clinicians.

- **Pathway for acute stroke care**
  HQC researchers continued to provide measurement support to the provincial team working to implement a care pathway for acute ischemic stroke care; this pathway work is led by the Ministry of Health. In 2015-16, HQC researchers provided data collection and measurement support for health regions, particularly those just starting to use the pathway. We collated and analyzed data, and reported results back to the regional stroke teams. Additionally, a researcher from HQC helped the Saskatoon Health Region's stroke team develop a data process to monitor, evaluate, and improve subarachnoid hemorrhage (a type of hemorrhagic stroke) care.

Reporting on Health System Improvement

Over the past three years HQC has developed, implemented and maintained provincial standards for reporting on improvement activity. These standards were put in place to help system leaders understand activity underway across the health system, and its impact at on the quality of care received by Saskatchewan patients. HQC has also been responsible for creating and maintaining the provincial measurement framework and reporting standards used by the Provincial Leadership Team to inform health system priorities and evaluate progress toward strategic targets.

Through 2015-16, HQC continued work to develop a meaningful set of measures to report on performance at a system and point-of-care level. HQC has continued to refine these standards at both the improvement activity level, and the provincial strategic reporting level, to better inform all strategic planning. Our work in 2015-16 focused on helping establish a clearer line of sight in reporting, that shows how local improvement efforts contribute to achieving health system priorities.

University of Saskatchewan Lean Evaluation Report

This report, conducted by University of Saskatchewan (U of S) researchers for HQC, provides early feedback and an initial assessment of Lean implementation in the provincial health care system. The report was prepared by Dr. Thomas Rotter, Chair in Health Quality Improvement Science at the U of S, and a team of other academics. Research was conducted between March 1, 2013 and May 31, 2014. It provides a research baseline, with a main purpose to develop a multi-year evaluation methodology for doing a more in-depth analysis. This objective, third-party research supports increased accountability and transparency in the health system.

KaizenTracker.ca

HQC has developed and maintains KaizenTracker.ca as the provincial online repository of health system improvement activity. Users can view ideas and changes from various activities, aggregated within and across organizations, and themed by strategic priority area. Users can also view the ongoing results of improvement events, based on data collected through structured audit processes, to understand whether improvements are being sustained.

Strategic Planning, Improvement and Reporting

Saskatchewan's health system works collaboratively to set strategic priorities, determine goals and targets for the system, establish plans to achieve the agreed-upon goals locally and provincially, and measure progress. HQC works closely with the Ministry of Health to continually refine this approach to provincial planning. During 2015-16, we assisted with the redesign of the planning and improvement cycle, to include cross-functional planning. The groups supporting each provincial priority now collaborate to assess how each area aligns with the province's overall improvement priority – to achieve a 60% reduction in Emergency Department wait times by March 2019.

In addition, HQC supports the provincial strategic planning and improvement cycle by:

- Assisting with the visual display of data;
- Developing and maintaining key indicators such as hospitalization rates for chronic disease management, and patient connectedness to a family physician; and,
- Providing just-in-time training on using measurement, and on selecting, and prioritizing improvement work.

Research Collaborations

The members of HQC's Measurement and Knowledge Integration team collaborate with health system partners and academics in Saskatchewan and beyond on research that has a direct impact on patient care and outcomes. These researchers and research analysts are skilled in working with the administrative health databases to which HQC has access under a data-sharing agreement with the Ministry of Health.

2015-16 Research project highlights

In total, HQC worked on 15 research projects during 2015-16 in the areas of cancer, chronic disease, and medication use and safety. These are three highlights:

- **CNODES study on anti-diabetic incretin-based drugs**
  A research analyst with HQC was the lead researcher in Saskatchewan for a multi-province study on anti-diabetic incretin-based drugs published in the prestigious *New England Journal of Medicine*. The study, part of the Canadian Network for Observational Drug Effect Studies (CNODES), found that incretin-based drugs – a type of medication used to treat type 2 diabetes – do not increase the risk of being hospitalized for heart failure relative to commonly used combinations of oral anti-diabetic drugs. As the prevalence of Canadians diagnosed with diabetes continues to increase, this kind of real-world diabetes research is increasingly important.

- **Identifying the characteristics of high-cost users with mental health and addictions issues**
  HQC researchers are part of a team that received funding for a project examining the characteristics of Saskatchewan and Ontario residents frequently accessing health care services as a result of mental health and addictions issues. The project, part of the Strategy for Patient-Oriented Research (SPOR) Network in Primary and Integrated Health Care Innovations (PIHCI), includes researchers from HQC, the University of Saskatchewan, Saskatoon Health Region, and the Ministry of Health; patients and clinicians are also involved. HQC's expertise in linking and analyzing complex administrative health databases plays a key role in this research, which has real-life implications for finding more appropriate and cost-effective treatments.

- **Multi-province multiple sclerosis medication study**
  Research supported by HQC found that medication adherence is quite high among multiple sclerosis patients in Manitoba, Saskatchewan and British Columbia. HQC provided access to data on Saskatchewan patients, and an experienced HQC research analyst did the analyses. In Saskatchewan, optimal adherence (meaning patients take their medication correctly 80% or more of the time) was achieved for 80.3% of patients after one year. When all three provinces were combined, 76.4% of patients had optimal adherence after the first year. The study, funded by the National Multiple Sclerosis Society in the US, also found medication adherence for MS is higher than what was previously reported for other chronic diseases (such as rheumatoid arthritis and epilepsy), which is typically around 50%.

HQC up close

Safety Alert/Stop the Line Initiative

Provincial goal: To achieve a culture of safety, by March 31, 2020, there will be no harm to patients or staff.

The Safety Alert/Stop the Line (SA/STL) Initiative – the provincial Initiative's team is housed at HQC – is one of the key strategies to achieve this provincial goal. SA/STL is intended to strengthen the culture of safety and increase the capability of regions to continuously learn and systematically reduce harm. SA/STL invites patients, and expects staff and physicians, to be safety inspectors to identify and fix errors before they can cause harm. The province has a target of implementing the SA/STL Initiative across all health regions by March 2018.

The Initiative has three guiding principles: 1) recognition that patients and families are important partners in advancing safety, 2) a commitment to make health care environments safe for patients, families, staff and providers, and 3) a similar standard for safety practices across the province. During 2015-16, the Initiative focused on supporting the provincial pilot site (model line) created in Saskatoon Health Region, spreading process improvements, and developing the infrastructure for other regions to implement these process improvements in the year ahead.

Over the past year Saskatoon Health Region, in collaboration with the SA/STL team, spread the Initiative to Royal University Hospital and Saskatoon City Hospital. As a result, patients, staff and physicians in the all three Saskatoon hospitals now report safety incidents to a single telephone line staffed 24 hours a day, seven days a week. Staff report high levels of satisfaction with the telephone system and appreciate the time it is saving them. The impact is positive. The number of voluntarily reported safety incidents is up more than 100%. Staff are also empowered to 'stop the line' with 85% of incidents being addressed before they're reported at all levels of severity, including near misses.

Measuring harm, for the purpose of preventing harm, is a complex challenge; our approach to addressing that challenge is evolving. The SA/STL team, working with safety experts from all regions, has defined and created provincial standards for reporting harm. As a result, all regions will begin reporting the total number of voluntarily reported safety incidents (involving either patients or staff) in 2016-17. This represents a paradigm shift in safety measurement in Saskatchewan and will provide provincial leaders with a holistic view. Although voluntarily reported incidents represent only a small proportion of the total number of incidents, a high rate of voluntary reporting is closely associated with having a strong safety culture within a health system.

The Initiative team supports a provincial SA/STL Network which includes patients, staff, and representatives from both the Ministry of Health and the Saskatchewan Association for Safety Workplaces in Health (SASWH). The Network's 65 members are accountable for the many process improvements underway within their regions. This past year the Network developed an assessment tool, provincial policy, and guidelines for leaders to respond to safety incidents. A network working group, comprised of patient and family advisors, recommended messaging for regions to communicate to patients and families about SA/STL. Patients and families are a powerful voice to improve safety when they act as partners within the health system.

HQC up close

Emergency Department Waits and Patient Flow Initiative

Provincial goal: By March 31, 2019, there will be a 60% reduction in Emergency Department wait times.

The Emergency Department (ED) Waits and Patient Flow Initiative continues to develop and implement provincial strategies to improve patient flow and reduce ED wait times. These efforts are augmented by work led by individual health regions to improve patient wait times.

Research has shown that long waits in the ED are a symptom of multi-faceted challenges to patient flow across the entire continuum of care. There is compelling evidence that gaps in community-based care, lack of coordination between different health services, and hospital overcrowding have a direct impact on delays in EDs. As a result, solutions are equally complex and require a system-wide approach, with improvements needed in each phase of the patient's care episode.

During 2015-16, the ED Waits and Patient Flow Initiative team – along with the Ministry of Health, regional health authorities, and patient representatives – designed several new processes as part of a provincial Patient Flow Toolkit. This resource consists of modules designed to help regions improve specific aspects of hospital care. Modules developed to date include: Alternative Level of Care (ALC) designation and data collection, interdisciplinary team rounds at the bedside, and inter- and intra-regional Transfers of Care.

Also in 2015-16, the Initiative received provincial funding to support programs that began in the three largest health regions (Prince Albert Parkland, Regina Qu'Appelle and Saskatoon) during late 2014-15:

- Prince Albert Parkland used this special funding to increase physician and nursing coverage during peak ED times. This has reduced the time for patients to receive their physician initial assessment.
- Regina Qu'Appelle developed a new inpatient care model, called an Accountable Care Unit, to improve coordination of services. The model utilizes co-located interdisciplinary teams to conduct daily bedside rounding. North American hospitals that have implemented the Accountable Care model have experienced decreased lengths of stay and mortality rates, and increased patient and staff satisfaction. Although the official evaluation won't occur until 2016-17, early results are promising. Regina Qu'Appelle has also created a new process for ensuring mid-acuity patients presenting to the ED are assessed by a physician in a more timely manner.
- Saskatoon created the Police and Crisis Team (PACT). Funding for PACT is a partnership between the Ministries of Justice and Health, through the ED Waits and Patient Flow initiative. A high number of calls to Saskatoon Police Service are about individuals with mental health and addictions issues. The PACT program pairs a police officer with a mental health

professional to work together to respond to mental health crises in the community. These efforts have resulted in a reduction of police transports to hospital and ED visits, all while ensuring individuals in crisis receive appropriate care. The PACT model has also been implemented in Regina Qu'Appelle, in partnership with the Regina Police Service.

Connecting people across the health system and providing quality improvement leadership

Connecting, leading and facilitating are all roles that HQC plays within the Saskatchewan health system with the aim of further accelerating the system's quality improvement journey.

Patient- and Family-Centered Care

During 2015-16, significant strides were made to advance the philosophy and best practices of patient- and family-centred care (PFCC) in Saskatchewan. The provincial PFCC Guiding Coalition, co-chaired by HQC, created a policy for open family presence. This provincial policy enables patients, when hospitalized, to identify which family and friends they want to visit them and when. Adopted by all health regions, the policy makes Saskatchewan the first Canadian province to take a provincial approach to eliminating restrictive visiting hours.

The PFCC Guiding Coalition also helped all health regions establish their own steering committee (or advisory council) to lead and support implementation of patient- and family-centred care at a local level. Through the work of the Guiding Coalition, more than 400 patients and families have been engaged as advisors in the health system. HQC supported six working groups to create tools to help regions apply PFCC, including a staff education module, a provincial report template, an advisor recruitment poster, orientation presentation and handbook, and standards for patient and family advisor engagement in a Rapid Process Improvement Workshop (RPIW).

In 2015-16, 28 patients and families contributed a total of 221 hours of their time, serving as advisors to specific HQC-supported initiatives. HQC also facilitated several educational opportunities this year including an experience-based design workshop and series of educational sessions for PFCC leads.

Kaizen Network

'Kaizen' is a term that refers to continuous improvement. The Kaizen Network includes improvement leaders and specialists supporting continuous improvement throughout Saskatchewan's health system. HQC coordinates and hosts bi-weekly teleconferences/webinars to keep members of this community connected, so that they can learn from one another. In 2015-16, HQC encouraged partner organizations to share highlights, insights, challenges, and promising practices with colleagues. This new addition to the Kaizen Network calls has been very well received.

Also during 2015-16, HQC introduced a Fall and Winter Learning Series via webinar. Topics have included measurement, plan-do-study-act (PDSA) cycles, powerful questions, visual display of data, driver diagrams, and problem identification. Presenters have included members of the HQC team, as well as improvement specialists from partner organizations. These webinars were held outside of the network calls but are targeting this same community with, on average, 51 people attending. When asked for feedback, most respondents (67% to 100%) reported that they found these sessions valuable. Sample comments included: "good review of types of charts to use and what they are used for;" "a good reminder about the human side of change;" and "valuable info in a very concise message."

Mistake Proofing Network

In April 2015, the Mistake Proofing Network was established to collectively guide regional coaches in the training, spread and sustainability of mistake proofing processes within the health system. The network's functions include: 1) learning and supporting one another through shared experiences and insights, 2) engaging in problem solving to address common challenges, 3) informing and developing effective tools to support mistake proofing teams including clear evaluation criteria, and 4) clarifying team members' roles and responsibilities. With input from the network, HQC has developed multiple standard processes for supporting mistake proofing projects, and project evaluation has been successfully transferred to regional coaches.

BetterHealthCare.ca

BetterHealthCare.ca is a website hosted by HQC, featuring stories about how health regions and partner organizations are making care for better for Saskatchewan patients and families. Last year, the provincial platform highlighted 42 stories of improvement successes – and challenges – and the lessons learned along the way. The Better site helps leaders, managers, and providers stay abreast of the great work being done by their colleagues around the province. It also provides patients and the public with a glimpse into quality improvement in Saskatchewan's health system. In 2015-16, the provincial site attracted more than 21,000 page views, with some stories alone attracting close to 1,000 views.

Saskatchewan Change Day

The second annual Saskatchewan Change Day, organized by HQC, was celebrated on November 5, 2015. During the campaign, individuals made more than 1,430 pledges to improve health and health care – surpassing the 2014 total of 1,397 pledges. The theme of the 2015 Saskatchewan Change Day campaign was 'Make Health Better Together.' Pledges focused on improving personal health, workplace health, and the health of patients, clients, and residents. A commemorative e-book was created to document the campaign and to share inspiring stories about some of the pledges.

HQC up close

Saskatchewan Centre for Patient-Oriented Research

The legislated mandate of HQC includes promoting and conducting research that will contribute to improving the quality of health care in our province. Through the years, HQC has fulfilled this mandate by conducting its own research and reporting projects, as well as collaborating on research with health system and academic partners in Saskatchewan and across Canada.

In recent years, the Canadian Institutes for Health Research (CIHR) has created a major strategic funding initiative – the Strategy for Patient-Oriented Research (SPOR) – to build capacity for applied health research. The goal of this strategy is to translate research more quickly into changes in policy and practice that improve the health and health care of Canadians. The largest component of the SPOR is matching funding to provincial resources to establish supportive infrastructure to enable patient-oriented research. This infrastructure is organized into entities called Support for People and Patient Oriented Research and Trials (SUPPORT) units. These units will provide the necessary expertise, services and coordination of collaboration among patients, researchers, health professionals, policymakers and administrators – to improve patient care.

HQC aided the development of a partnership among provincial government, advanced education institutions, and Saskatchewan's health system organizations to develop a SUPPORT unit in our province. A business plan for a SUPPORT unit called the Saskatchewan Centre for Patient-Oriented Research (SCPOR) was submitted in July 2015. The application received a very favourable review by CIHR's international adjudication panel and SCPOR was approved and funded for five years. CIHR then committed over $31 million in cash over five years, to match the cash and in-kind commitments from provincial partners.

HQC plays several key roles in the SCPOR partnership. Along with the College of Medicine at the University of Saskatchewan, HQC is a 'co-host' organization. Together our two organizations form the highest level of SCPOR governance, having fiduciary responsibility for the resources committed by the various partner agencies that comprise SCPOR, and responsibility for the hiring and oversight of SCPOR's Executive Director.

In addition, HQC is home to the Patient Engagement and Empowerment platform – the branch of SCPOR that will develop policy, infrastructure and training to ensure patient and family advisors are integrated as true partners in the Centre's research. HQC also shares, with eHealth Saskatchewan, co-leadership of the Data Services platform – which will ensure existing data is made more accessible and usable for patient-oriented research. This platform will support the development of new data to facilitate applied research and inform delivery of high-quality health care. Other SCPOR platforms include research methods and pragmatic trials; training and knowledge translation; Aboriginal research and engagement; and a research consultation and project management office.

While SCPOR officially began operations in early 2016, there is a lot of work to be done to establish the various platforms that will make SCPOR fully functional. A search for an Executive Director has commenced, as has work to initiate several initial research projects. A key function of SCPOR will be developing research programs that address priority areas for health system improvement. Ultimately, SCPOR will generate findings that will translate into evidence-based improvements in patient care throughout Saskatchewan.

Research publications

Filion KB, Azoulay L, Platt RW, Dahl M, Dormuth CR, Clemens KK, **Hu N**, Paterson JM, Targownik L, Turin TC, Udell JA, Ernst P for the Canadian Network for Observational Drug Effect Studies (CNODES) Investigators. A multicenter observational study of incretin-based drugs and heart failure. *N Engl J Med* 2016; 374:1145-54.

Kosteniuk, J, Morgan, D, O'Connell, ME, Kirk, A, Crossley, M, **Teare, G**, Stewart, N, Dal Bello-Haas, V, Forbes, D, Innes, A, & **Quail, J** (2015). Incidence and Prevalence of dementia in linked administrative health data in Saskatchewan, Canada: a retrospective cohort study. *BioMed Central Geriatrics, 15*(73).

Kuwornu, JP, Lix, LM, **Quail, JM**, Forget, E, Muthukumarana, S, **Wang, E, Osman, M, Teare, GF** (2016). Identifying Distinct Healthcare Pathways During Episodes of Chronic Obstructive Pulmonary Disease Exacerbations. *Medicine, 95*(9), e2888.

Kuwornu JP, Lix LM, **Quail JM, Wang E, Osman M, Teare GF**. Assessing the Incremental Predictive Value of Healthcare Utilization Pathways in Risk Prediction Modeling. *Value in Health* 18(3):A16 · April 2015

Misskey J, **Osman M**, Kopriva D. Geographic disparities in the burden of ruptured and unruptured abdominal aortic aneurysms. *Journal of Vascular Surgery,* 16(6) 1421-28.

Sari N, **Osman M**. The effects of patient education programs on medication use among asthma and COPD patients: a propensity score matching with a difference-in-difference regression approach. *BMC Health Services Research*. 2015;15:332. doi:10.1186/s12913-015-0998-6.

Osman M, Quail JM, Hudema N, Hu N. Using SAS® to Create Episodes-of-Hospitalization for Health Services Research. April 2015. SAS Global Forum 2015 (conference paper)

Health Quality Council
Financial Statements

For the Year Ended March 31, 2016

Report of Management

Management is responsible for the integrity of the financial information reported by the Health Quality Council (HQC). Fulfilling this responsibility requires the preparation and presentation of financial statements and other financial information in accordance with Canadian generally accepted accounting principles that are consistently applied, with any exceptions specifically described in the financial statements.

The accounting system used by HQC includes an appropriate system of internal controls to provide reasonable assurance that:

- transactions are authorized;
- the assets of the HQC are protected from loss and unauthorized use; and
- the accounts are properly kept and financial reports are properly monitored to ensure reliable information is provided for preparation of financial statements and other financial information.

To ensure management meets its responsibilities for financial reporting and internal control, Board members of the HQC discuss audit and financial reporting matters with representatives of management at regular meetings. HQC Board members have also reviewed and approved the financial statements with representatives of management.

The Provincial Auditor of Saskatchewan has audited the HQC's statement of financial position, statement of operations, statement of changes in net financial assets, and statement of cash flows. Her responsibility is to express an opinion on the fairness of management's financial statements. The Auditor's report outlines the scope of her audit and her opinion.

Dr. Susan Shaw
Board Chair

Debra-Jane Wright
Deputy CEO

Saskatoon, Saskatchewan
July 8, 2016

PROVINCIAL AUDITOR
of Saskatchewan

INDEPENDENT AUDITOR'S REPORT

To: The Members of the Legislative Assembly of Saskatchewan

I have audited the accompanying financial statements of Health Quality Council, which comprise the statement of financial position as at March 31, 2016, and the statement of operations, statement of change in net assets and the statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards for Treasury Board's approval, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Health Quality Council as at March 31, 2016, and the results of its operations, changes in its net assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Judy Ferguson

Regina, Saskatchewan
July 8, 2016

Judy Ferguson, FCPA, FCA
Provincial Auditor

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Statement of Financial Position

HEALTH QUALITY COUNCIL
STATEMENT OF FINANCIAL POSITION
(thousands of dollars)

As at March 31	2016	2015
Financial assets		
Cash	$ 1,015	$ 936
Accounts receivable	195	243
Accrued interest receivable	41	29
Short-term investments (Note 3)	5,002	6,032
	6,253	7,240
Liabilities		
Accounts payable	252	371
Payroll liabilities	140	280
	392	651
Net financial assets	5,861	6,589
Non-financial assets		
Tangible capital assets (Note 2c and Note 4)	84	79
Prepaid expenses and deposits	64	162
	148	241
Accumulated surplus	$ 6,009	$ 6,830

Contractual commitments (Note 9)

(See accompanying notes to the financial statements)

Statement of Operations

HEALTH QUALITY COUNCIL
STATEMENT OF OPERATIONS
(thousands of dollars)

For the year ended March 31	2016		2015
	Budget (Note 7)	Actual	Actual
Revenue			
Saskatchewan Health			
- Operating Grant	$ 4,968	$ 4,763	$ 4,968
- Provincial Emergency Department Waits and Patient Flow Initiative	-	9	500
- Improving Appropriateness for MRI of the Lumbar Spine	-	-	200
- Safety Alert System - Provincial Kaizen Operations Team	159	159	200
- Saskatchewan Surgical Initiative Appropriateness Project	-	130	136
University of Saskatchewan			
- Canadian Institutes of Health Research	-	25	-
- Drug Safety & Effectiveness Network	228	171	193
- Health Services Use Among Individuals with Dementia	31	-	-
- Inflammatory Bowel Disease	22	64	-
- Quality of Care Gaps for Rheumatic Disease	41	10	26
- Saskatchewan Drug Utilization & Outcome Research Team	84	146	83
- Vitamin D in Long Term Care	8	-	26
- Other	143	60	64
Canadian Respiratory Research Net (Asthma)	31	6	-
Continuous Integration Development	-	-	2
Prince Albert Parkland Regional Health	-	4	33
Quality Summit	-	-	231
Saskatoon Regional Health Authority	-	25	-
Other	-	16	6
Interest	75	85	93
Gain on Disposal of Tangible Capital Assets	-	1	4
	5,790	5,674	6,765
Expenses			
Project funding	1,935	1,077	1,487
Grants	85	70	84
Wages and benefits	5,382	4,599	4,724
Travel	304	163	233
Administrative and operating expenses	132	109	177
Honoraria and expenses of the board	135	94	90
Amortization expense	85	56	72
Rent	350	327	343
	8,408	6,495	7,210
Annual deficit	$ (2,618)	(821)	(445)
Accumulated surplus, beginning of year		6,830	7,275
Accumulated surplus, end of year		$ 6,009	$ 6,830

(See accompanying notes to the financial statements)

Statement of Change in Net Assets

HEALTH QUALITY COUNCIL
STATEMENT OF CHANGE IN NET ASSETS
(thousands of dollars)

For the year ended March 31	2016	2015
Annual deficit	$ (821)	$ (445)
Acquisition of tangible capital assets	(61)	(61)
Amortization of tangible capital assets	56	72
	(5)	11
Acquisition of prepaid expense	(64)	(162)
Use of prepaid expense	162	116
	98	(46)
Decrease in net financial assets	(728)	(480)
Net financial assets, beginning of year	6,589	7,069
Net financial assets, end of year	$ 5,861	$ 6,589

(See accompanying notes to the financial statements)

Statement of Cash Flows

HEALTH QUALITY COUNCIL
STATEMENT OF CASH FLOWS
(thousands of dollars)

For the year ended March 31	2016	2015
Operating transactions		
Annual deficit	$ (821)	$ (445)
Non-cash items included in annual deficit:		
Amortization of tangible capital assets	56	72
Net change in non-cash working capital items:		
Deferred revenue	-	(10)
Accrued interest receivable	(12)	37
Accounts receivable	48	12
Prepaid expenses	98	(46)
Accounts payable	(119)	192
Payroll liabilities	(140)	(15)
Cash used by operating transactions	(890)	(203)
Capital transactions		
Cash used to acquire tangible capital assets	(61)	(61)
Proceeds from disposal of capital assets	1	-
Cash applied to capital transactions	(60)	(61)
Investing Transactions		
Purchases of investments	(6,001)	(11,096)
Proceeds from disposal/redemption of investments	7,030	11,892
Cash provided/(used) by investing transactions	1,029	796
Increase/(Decrease) in cash and cash equivalents	79	532
Cash and cash equivalents, beginning of year	936	404
Cash and cash equivalents, end of year	$ 1,015	$ 936

(See accompanying notes to the financial statements)

Health Quality Council
Notes to the Financial Statements
March 31, 2016

1. Establishment of the Council

The Health Quality Council Act was given royal assent on July 10, 2002 and proclaimed on November 22, 2002. The Health Quality Council (HQC) measures and reports on quality of care in Saskatchewan, promotes continuous improvement, and engages its partners in building a better health system. HQC commenced operations on January 1, 2003.

2. Accounting Policies

Pursuant to standards established by the Public Sector Accountants Standards Board (PSAB) and published by Chartered Professional Accounts (CPA) Canada, HQC is classified as an other government organization. Accordingly, HQC uses Canadian generally accepted accounting principles applicable to public sector. A Statement of Remeasurement Gains and Losses has not been prepared as the fund does not have any remeasurement gains or losses. The following accounting policies are considered significant.

a) Operating Revenues and Expenses

For the operations of HQC, the primary revenue is contributions from the Saskatchewan Ministry of Health (Ministry of Health). Other sources of revenue include conference registrations, interest and miscellaneous revenue.

Unrestricted contributions are recognized as revenue in the year received or receivable if the amount can be reasonably estimated and collection is reasonably assured. Restricted contributions are deferred and recognized as revenue in the year when related expenses are incurred. Interest earned on restricted contributions accrues to the benefit of the restricted program.

Government transfers/grants are recognized in the period the transfer is authorized and any eligibility criteria is met.

b) Measurement Uncertainty

The preparation of financial statements in accordance with PSAB accounting standards requires HQC's management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of commitments at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

c) Tangible Capital Assets

Tangible capital assets are reported at cost less accumulated amortization. Purchases valued at $1,000 or greater are recorded as a capital asset. Leasehold improvements are amortized over the length of the original lease. The current lease has been extended to December 31, 2018. Amortization is recorded on a straight-line basis at rates based on estimated useful lives of the tangible capital assets as follows:

Office furniture	10 years
Office equipment	5 years
Computer hardware	3 years
Computer software	3 years
Leasehold improvements	life of lease

Normal maintenance and repairs are expensed as incurred.

d) Investments

Investments are valued at amortized cost.

3. Short-Term Investments

HQC held investments in the amount of $5,001,830 as described below at March 31, 2016. The current investments are short-term, held for a period of one year or less.

	2016	
	Carrying Value (000's)	Interest Rate
Term Deposits		
Raymond James	$ 250	1.50%
Raymond James	$ 500	1.70%
Raymond James	$ 500	1.70%
Raymond James	$ 500	1.50%
Raymond James	$ 700	1.45%
Raymond James	$ 750	1.50%
Raymond James	$ 502	1.40%
Raymond James	$ 400	1.40%
Raymond James	$ 400	1.57%
Raymond James	$ 500	1.30%
Total Investment	**$ 5,002**	

4. Tangible Capital Assets

The recognition and measurement of tangible capital assets is based on their service potential.

	Office Furniture & Equipment	Computer Hardware & Software	Leasehold Improvements	2016 Totals	2015 Totals
	(thousands of dollars)				
Opening cost	$ 213	$ 608	$ 70	$ 891	$ 882
Additions	4	57	-	61	61
Disposals	(8)	-	-	(8)	(52)
Closing cost	209	665	70	944	891
Opening accumulated amortization	178	572	62	812	792
Annual amortization	11	42	3	56	72
Disposals	(8)	-	-	(8)	(52)
Closing accumulated amortization	181	614	65	860	812
Net book value of tangible capital assets	$ 28	$ 51	$ 5	$ 84	$ 79

5. Related Party Transactions

Included in these financial statements are transactions with various Saskatchewan Crown Corporations, ministries, agencies, boards, and commissions related to HQC by virtue of common control by the Government of Saskatchewan, and non-crown corporations and enterprises subject to joint control or significant influence by the Government of Saskatchewan (collectively referred to as "related parties"). Other transactions with related parties and amounts due to or from them are described separately in these financial statements and notes thereto.

Routine operating transactions with related parties are recorded at the agreed upon rates charged by those organizations and are settled on normal trade terms.

Related Party Transactions (cont'd)

Below are the revenue and expenses from the related parties for the year and the account balances at the end of the year.

	2016	2015
	(thousands of dollars)	
Revenue		
Capital Pension Plan	$ -	$ 10
eHealth Saskatchewan	2	-
Ministry of Health	4,763	4,968
Ministry of Health – Grant Funding	289	1,049
Regional Health Authorities	51	98
Saskatchewan Workers' Compensation	4	-
University of Saskatchewan	460	367
Expenses		
Capital Pension Plan	42	241
Ministry of Finance	3	19
Public Employees Pension Plan	200	-
Regional Health Authorities	446	527
Saskatchewan Health Research Foundation	63	63
Saskatchewan Opportunities Corporation (operating as Innovation Place)	369	402
Saskatchewan Workers' Compensation	6	11
SaskTel	7	8
University of Saskatchewan	31	145
Other	1	4
Accounts Payable		
Capital Pension Plan	-	21
Public Employees Pension Plan	47	-
Regional Health Authorities	40	57
Saskatchewan Workers' Compensation	1	5
University of Saskatchewan	21	51
Other	1	1
Accounts Receivable		
Regional Health Authorities	26	10
University of Saskatchewan	159	218

Also, HQC pays Provincial Sales Tax to the Saskatchewan Ministry of Finance on all its taxable purchases. Taxes paid are recorded as part of the cost of those purchases.

6. Financial Instruments

HQC has the following financial instruments: short-term investments, accounts receivable, accrued interest receivable, accounts payable, and payroll liabilities. The following paragraphs disclose the significant aspects of these financial instruments. HQC has policies and procedures in place to mitigate the associated risk.

a) Significant terms and conditions

There are no significant terms and conditions associated with the financial instruments that may affect the amount, timing, and certainty of future cash flows.

b) Interest rate risk

HQC is exposed to interest rate risk when the value of its financial instruments fluctuates due to changes in market interest rates. HQC does not have any long-term investments that may be affected by market pressures. HQC's receivables and payables are non-interest bearing.

c) Credit risk

HQC is exposed to credit risk from potential non-payment of accounts receivable. Most of HQC's receivables are from provincial agencies and the federal government; therefore, the credit risk is minimal.

d) Fair value

For the following financial instruments, the carrying amounts approximate fair value due to their immediate or short-term nature:

Short-term investments
Accounts receivable
Accounts payable
Payroll liabilities

7. Budget

These amounts represent the operating budget that was approved by the Board of Directors – March 21, 2015.

8. Pension Plan

HQC was a participating employer in the Capital Pension Plan, a defined contribution pension plan. Eligible employees make monthly contributions of 6.35% of gross salary, which are matched by HQC. HQC's obligation to the plan is limited to matching the employee's contribution. HQC's contributions for this fiscal year were $41,530 (2015 – $241,127).

Effective June 25, 2015, HQC was transitioned to the Public Employees Pension Plan, also a defined contribution pension plan. The change over was seamless and the contributions and obligations with the changeover remained unchanged. HQC's contributions for the fiscal year were $200,445.

9. Contractual Commitments

As of March 31, 2016, HQC had the following commitments:

a) Office Rent

HQC has a lease for office space with Saskatchewan Opportunities Corporation (operating as Innovation Place). The lease has been extended to December 31, 2018. The monthly cost is $16,808 for the period of January 1, 2014 to December 31, 2018.

b) Saskatchewan Health Research Foundation (SHRF)

HQC has entered into an agreement with Saskatchewan Ministry of Health, University of Saskatchewan and Saskatchewan Health Research Foundation (SHRF) for grant administration. The agreement requires SHRF to administer funds on behalf of HQC. The agreement is effective from October 15, 2012 – October 14, 2017. The amount paid for grant administration in the current fiscal year is $60,000 (2015 - $60,000). The pricing schedule for the remaining time period is:

Period	Grant Administration
April 1, 2016 – March 31, 2017	$ 60,000
April 1, 2017 – Oct 14, 2017	$ 32,258

SASKATCHEWAN
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QUALITY
COUNCIL

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